GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

STARRED QUESTION NO:552
ANSWERED ON:14.05.2007
STORAGE CAPACITY
Chitthan Shri N.S.V.

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) the details of the storage capacity of godowns in various States being run by Food Corporation of India (FCI) through private sector participation, State-wise; and

(b) the benefits likely to accrue to FCI through such private participation?

Answer

MINISTER OF AGRICULTURE AND MINISTER OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (SHRI SHARAD PAWAR)

(a) & (b): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) AND (b) OF THE STARRED QUESTION NO. 552 DUE FOR ANSWER ON 14.05.2007 IN THE LOK SABHA.

(a): The Food Corporation of India mainly uses its own godowns for storage of foodgrains. However, the FCI also hires godowns from private parties directly and through the State Warehousing Corporations (SWCs)/State Agencies under the Seven Years Guarantee Scheme (SYGS). Details of the godowns hired by FCI under the SYGS are given in Annexure.

In addition, Government of India has approved the National Policy on Bulk Handling, Storage and Transportation of foodgrains under `Build-Own-Operate` (BOO) Scheme. The details of the storage capacity to be created under BOO Scheme are given in Annexure.

(b): The following benefits are likely to accrue to FCI on account of hiring the private godowns:

(i) FCI does not have to construct godowns at all the requisite locations where hiring of smaller capacity results in administrative convenience and economy of scale.

(ii) Expenditure on idle capacity and manpower is avoided as the storage capacity is hired on need basis and surplus capacity is dehired.